

from the CEO

On May 11, Gov. Nikki Haley called a press conference to announce that Volvo Cars of North America will build its first North American manufacturing facility on a 6,800-acre tract off Interstate 26 in northwestern Berkeley County.

Volvo will prove to be one of South Carolina's most significant industrial presences. It will be pivotal in creating better opportunities and quality of life not just for that corner of Berkeley County, but also for several adjacent counties in a part of South Carolina that has not enjoyed the same level of prosperity as many parts of our state.

I am proud that Santee Cooper helped land this project, and I credit the successful role we played to the vision and hard work by employees, board members and our electric cooperative partners going back decades.

Santee Cooper and the state's electric cooperatives set the stage in 1988, when we joined forces and created what is now called the South Carolina Power Team, sending it out to tell the world about our business-friendly state. The Power Team has a strong record of success, with announcements of 62,000 jobs and more than \$10 billion in capital investment under its belt.

More recently, the Santee Cooper Board of Directors increased our own resources to close deals. The board approved a discounted electric rate we and the cooperatives can offer to eligible new industry, as well as loans and grants available to local governments, electric cooperatives and other nonprofit economic development entities to help finance buildings, plant sites and other industrial infrastructure.

Volvo will be using all of these incentives, and in the process building a \$500 million plant with 2,000 well-paying jobs in phase one and up to 4,000 jobs by 2023. Santee Cooper is also jointly purchasing with Berkeley County a 6,800-acre tract of land. Volvo's facility will occupy part of it, and Santee Cooper will keep



nearly 4,000 acres to develop for additional industry, with more jobs and more opportunity.

Our investment will pay off easily in additional electric sales, loan repayments and additional development opportunities. The added electrical sales will spread the fixed costs of our electric system across more customers, which is better for all of our customers.

Santee Cooper's mission is to be a leading resource to improve the quality of life for all South Carolinians. In joining with the S.C. Commerce Department, the Power Team, Edisto and Berkeley electric cooperatives, Berkeley County government and many others, we were able to successfully support Gov. Haley and do just that.

Jonne M. Cant

Lonnie N. Carter
President and
Chief Executive Officer

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Editor Illard Strong

Art Direction and Design

Photography/ Photo Editor

Writers

Nicole A. Aiello Kevin F. Langston Susan Mungo Benjamin Ollic

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email: nicole.aiello@santeecooper.com



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About the Cover

There are more decorative LED lighting options available for Santee Cooper's commercial customers than ever before. This colorful LED light at the Mellow Mushroom in North Myrtle Beach is just one example of how this cost-effective lighting can be utilized in a business environment.



The Grand Strand's

Murrells Inlet

Pictures que Village Since 1731

Spanish moss dances across the branches of stately live oak trees as lush green grasses bow down to the murky waters of the salt marsh. Birds of all shapes and colors harmonize, crooning a tasteful tune. Soon, the star of the show parts the curtains of white clouds for her grand entrance, bathing everything in a warm, golden light.

In the restaurant and fishing village that is Murrells Inlet, it's a natural ballet that takes place nearly every day.

Bernadette Delgado watches this magnum opus from her window. She is standing behind the counter in her store—part art gallery and part local craftsman consignment shop—studying the scene. As the door opens, Delgado, with a warm smile, welcomes an Inlet resident who promptly makes herself at home in the rocking chair near the front entrance and starts shooting the breeze.

This is Delgado's life, and she loves it. To an outsider, it looks as if Delgado has lived in Murrells Inlet since birth. She belongs to the Inlet scenery and its culture like the tides belong to the moon.

A newcomer to the area by most standards, Delgado has called the Inlet her home for only a short five years. She was born nearby at the former Myrtle Beach Air Force Base to immigrant parents. Her mother was from Ireland and her father, Puerto Rico.

by Nicole A. Aiello

Photography by Jim Huff





he has called Myrtle Beach, Charleston and Charlotte home at one time or another, and is no stranger to overseas travel and exotic locales. Delgado ended up in Murrells Inlet because of the love of a special man, and her love has grown to include everything the area has to offer. Murrells Inlet is not only where her home is, it's where her heart is.

"Murrells Inlet was meant for me and I think I was meant for the inlet," Delgado says with a nod toward the window overlooking the marsh.

When she arrived, Delgado worked to entrench herself in the community and endear herself to its residents. She volunteered for Murrells Inlet 2020, a non-profit organization for the betterment of the community.

She now owns and runs M.I.S.C (think Murrells Inlet, South Carolina), which sits across from the Murrells Inlet Marshwalk, a long stretch of lazy boardwalk between the marsh and a row of mainly seafood-inspired restaurants. She says she's reminded daily the reasons why she loves the Inlet, and that includes the people who live there.

"I love that it's still a small community," she says. "Locals, some who have generations of family ties to Murrells Inlet, and others who have recently moved here, come by to visit. They come inside, make themselves some tea or coffee, and have a seat in the rocking chair. That's when they tell their stories."

Stories and folklore are a large part of Murrells Inlet history. There are stories of pirate booty buried among the Inlet's small islands. The English pirate, Blackbeard, (real name, Edward Teach, most historians believe) is thought to have used the Inlet as a hiding spot in the 1700s.

A pirate named Jack was supposedly marooned on one of the Inlet's islands with a large number of jugs of rum. According to legend, Jack died on that island with a smile on his face after

finishing off the rum. The island is now aptly named Drunken Jack's Island.

There are stories about outsiders trying to sneak ashore, including soldiers during the Civil War and the winds of numerous hurricanes. Some people claim they've encountered the ghost of Alice Flagg, who is said still to be searching for the missing engagement ring her brother threw into the Inlet just before her death in 1849 at the tender age of 16.

Rice, tobacco and cotton plantations thrived in the area at one time and, according to various sources, this little village that was settled in 1731 even gained national attention when President Grover Cleveland publicized his duck-hunting trip there.

Storytelling in Murrells Inlet is far from a lost art. One favorite is a rumor that the second story of Nance's Creekfront Restaurant, which sits on the marsh side of U.S. Highway 17 Business, was blown across the street during Hurricane Hugo. The legend goes that the building stayed on the very spot where it settled, and was turned into Russell's Seafood Grill and Raw Bar restaurant.

Although steeped in fact, like most rumors, Murrells Inlet resident Steven Vereen said that's not quite how it happened.

"Hugo took out the bottom of Nance's. It was destroyed. But above it, on the second floor, was a bar and that floor survived. After Hugo, they lifted the building and moved it across the street," Vereen says. "People say it blew across 17, but that's just not how it happened."

Vereen should know. He was born and reared in Murrells Inlet and has lived most of his life there. When he didn't live in the Inlet, he was just a few miles up the road. And, it should be noted, Vereen knows this story firsthand: His brother is the namesake, owner and operator of Russell's Seafood Grill and Raw Bar.

The ghost of Alice Flagg is rumored to still roam the murky waters of the Murrells Inlet marsh searching for her treasured engagement ring. Her grave, which is in nearby Pawleys Island, is marked solely with her first name.

Opposite, clockwise from top:

Bernadette Delgado moved to Murrells Inlet for love five years ago and then fell in love with the quaintness of the area. Delgado works with local artists and artisans at her store, where locals and visitors make themselves at home in the store's lone rocking chair and tell her the stories of their lives. A turquoise-colored rope secures a small boat to the Murrells Inlet Marshwalk. Colorful mats mimic the colorful stories Delgado hears in her store.







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ereen is a craftsman, creating tables and benches from reclaimed driftwood and sunken river wood that Delgado displays and sells. His roots in South Carolina run deep. His family has lived on the coast for centuries, first settling in Charles Towne in 1680, only 10 years after its founding.

Vereen and Delgado swap stories each time he brings his newest handiwork into the store. Vereen likes to tell accounts of Murrells Inlet when it was more of a sleepy village where all the neighbors knew each other.

"You rode your bikes around," Vereen says. "You know, that's just how you got around. I had a boat when I was just 8 years old. It was just a little old johnboat with a little five and a half (horsepower) Evinrude. I can remember when a month felt like a year."

Vereen can stand on the boards of the Marshwalk and point to the places he can still see in his mind and the areas where his neighbors' houses once stood.

"There was a little marina there called Snug Harbor," says Vereen, as he sits on the Marshwalk in front of Bubba's Love Shack and points toward Drunken Jack's restaurant. "You can still see the sign there today. They had the best hamburgers in Murrells Inlet. It was just a little shack, but it was great. We lived large.

"We were a pretty tight group of families. You had the Chandlers, the Vereens, the Smiths, the Stricklands and the Vaughts. We'd work long, hot hours through the summer and had quiet winters. Come Labor Day it all shut down."

Murrells Inlet is still a relatively small and unincorporated village compared to nearby Myrtle Beach. Almost all of the Inlet is in Georgetown County. And some things have changed since Vereen was a boy.

It now has a thriving tourism industry that extends well beyond Labor Day. On a warm evening, you can join the throngs of visitors strolling the Marshwalk after having dinner at one of its many restaurants.

Opposite, clockwise from top left:

The textures of this reclaimed wood are as varied as the tales that encircle Murrells Inlet.

Surprises are around every corner in Murrells Inlet, including the handmade wreath on Steven Vereen's workshop door.

Steven Vereen, whose family has been in South Carolina since 1680, creates tables and benches from reclaimed driftwood and river wood.

This page: This dockside spot offers the perfect vantage for review of happenings on one of the Inlet's many waterways.



Bands play out in the open air, and there's an atmosphere akin to a Fourth of July celebration, with lights shimmering off the water and friends and family discovering new favorite places.

The fishing industry, which was once the staple of the community and how it got its moniker, "Seafood Capital of South Carolina," has dwindled some after Hurricane Hugo ravaged the village, taking homes and businesses with it. With new buildings, new restaurants and new pursuits, the popularity of the area has grown and so have the number of visitors.

Commercial fishing boats cutting through the marsh waters on their way to the Atlantic Ocean may be harder to come across these days, but boats abound in the Inlet. Being on the water is one of the Inlet's greatest perks to most locals, and that activity has spread to the village's visitors.

Tour boats, one that resembles a large pirate ship and another that has the sleek look of a race boat, are filled to the gills on a regular basis for leisurely rides through the marsh.

In the early mornings before the sun rises, boat captains load sleepy tourists onto their charter boats and make their way to the Gulf Stream, returning in the late afternoon with their catches and newly acquired sunburns. Staying closer to shore are scores of personal watercraft, riders taking quick tours on sunny yellow banana boats, and kayakers silently slicing through the marsh's tributaries, guided by the tide.

Some of the old favorites are still around, though. Lee's Inlet Kitchen, which has been open full time and operated by the Lee family for 67 years, continues to keep the area's hometown feeling alive.

Through all this excitement and activity, two things remain the main staples in Murrells Inlet: its beauty and its serenity.





Above:

Festive lights shimmer in the water along the Murrells Inlet Marshwalk, a boardwalk dotted with seafood restaurants, lively bands, boat charters, anglers and families.

At left:

Visitors can join their mates aboard a pirate-style ship that sails the same waters as did Blackbeard himself.

Flora and fauna, including this white-feathered egret, abound in the natural settings of Murrells Inlet. hirley Curry and Richard Hughes meander down the Marshwalk, gazing out into the scenery. They are visiting from Lancaster, Pa., and although they are staying up the road in Garden City Beach, they made an extra effort to take in the view of the marsh in Murrells Inlet.

"We wanted to come here to eat lunch," Curry says. "We like to be on the water and we like to see the view. It's beautiful."

The Inlet offers panoramic views from many vantage points, including the Marshwalk. One of the most breathtaking views, though, is just a few miles down the road at Morse Landing Park.

Gazing toward the marsh from Morse Landing Park is like being inside the picture on a postcard. Palmetto trees dot the green space of the park and a towering live oak sits front and center in the parking lot. Marsh grasses sway in the breeze as egrets search for their next snack.

The calm water winds its way along the creeks and between the islands as it moves with the tides. Murky white oyster shells peek out of the pluff mud when the water is low. There's a sense of peace and tranquility there.

This was the location of the long-razed Morse's Oyster Roast, a ramshackle building with portholes and wooden tables. Inside on the wall was an old cypress boat paddle with a stern message painted in bold white letters: "NO DANCING."

As the sun sinks toward the horizon, casting shadows on the water, the natural ballet again begins, and it's breathtaking. According to Vereen, Murrells Inlet is a great place to be.

"I can't imagine living anywhere else," he says.

PS



THE ENERGY AUTHORITY

by Willard Strong

photography by Jim Huff

On the 26th floor of a high-rise office building in downtown Jacksonville, Fla., there is an office with a workforce of 150 people.

Of course, there's not anything unusual about that. But you may be surprised to learn that if you are a customer of Santee Cooper or receive power from any of 20 electric cooperatives that have the stateowned utility as its power source, these dedicated professionals are looking out for you. And your pocketbook.

Opposite, top: Dennis Simnick (left) and Davida Zaros are part of the 150-person staff at TEA in Jacksonville.

This page, left: Bill Rust, TEA's compliance director, was among several employees who left Santee Cooper to join the TEA start-up team.

This page, right: Jim Richardson (standing) and an associate monitor transactions on the first day of trading, which occurred on August 18, 1997. Richardson, who also was part of the start-up team from Santee Cooper, is now TEA's manager of business development.

Their business is power marketing. They find the best deals for member utilities in the buying and selling of electricity, the most unique of commodities that travels at the speed of light.

With a trading floor, a dazzling array of computer screens and access to critical information, this non-profit organization is a testament to the foresight and innovation of publicly owned power in the 21st century.

This is The Energy Authority, or TEA, on duty 24 hours a day, seven days a week. This summer, on Aug. 18 to be exact, TEA will have been in business 18 years. From three founders, Santee Cooper, JEA (formerly known as Jacksonville Electric Authority) and the Municipal Electric Authority of Georgia (known as MEAG Power), TEA's membership has grown to include the Nebraska Public Power District, City Utilities of Springfield (Mo.),

Gainesville (Fla.) Regional Utilities, Cowlitz County Public Utility District No. 1 (Longview, Wash.) and American Municipal Power (Columbus, Ohio).

This represents approximately 30,000 megawatts of generation, of which about 5,500 MW comprise Santee Cooper's part of the TEA pie. Now with more than 50 public power clients, TEA has expanded beyond electricity to include nine generation resources: natural gas, wind, hydro, nuclear, biomass, petroleum coke, fuel oil, solar and landfill gas. TEA also has an office in Seattle, Wash., with a staff of 50.

"TEA was created to leverage the assets and load of its members in the wholesale power market, so our respective utilities can pass the savings on to their customers," says Santee Cooper President and CEO Lonnie Carter. "What we've done is band together for

economies of scale. Savings are passed on to customers in their monthly fuel adjustment on power bills. What TEA means is that customers have access to the lowest-cost generation available."

HOW IS THIS ACCOMPLISHED?

"Santee Cooper interacts with TEA on a 24-hour basis," says Mike Cool, Santee Cooper's manager of wholesale markets. "Our power marketing desk is in contact with TEA on an hourly basis with the goal of optimizing Santee Cooper's system resources. This is accomplished through purchase and sale transactions primarily with utilities in the Southeastern portion of the Eastern Interconnection. In addition to the real time or hourly aspect of system optimization, TEA also interacts in the market on our behalf for day ahead, weekly, monthly and seasonal transactions."





Opposite, top:

TEA's Jacksonville headquarters is surrounded by other high-rise buildings and overlooks the St. John's River.

TEA Trivia: Downtown Atlanta was also in the running for TEA's base of operations.

Opposite, bottom:

A busy trading floor includes (from left) Nolan Conover, Siobhan O'Connor, Eric Prisby and Christine Farley. In 2002, four years after TEA's founding, Santee Cooper christened the first of six natural gas-fired units at Rainey Generating Station in Anderson County. Those units have a combined generating capability of nearly 1,000 MW. Santee Cooper had never owned large-scale natural gas facilities. TEA's expertise in procuring this fuel cost effectively and optimizing it is just one example of how TEA benefits a member utility.

"TEA purchases natural gas 'day ahead' as well as 'intra-day' for use at Rainey Station to improve system economics and to meet demand," Cool says. "TEA is a valuable resource to Santee Cooper."

An important point in TEA's business model is that it does not engage in the construction or ownership of generation or transmission assets. TEA's operating costs are paid by its members, with all of the savings generated by its activities passed back to its members.

expertise provided by TEA has expanded over the years. Today, this includes portfolio management, advisory and support services, and knowledge of how to navigate the often complex regulatory and legislative challenges that publicly owned power faces. In reality, this is why TEA was born nearly two decades ago.

CREATION OF TEA RESULT OF FEDERAL RULEMAKING

In the mid-1990s, the Federal Energy Regulatory Commission or FERC, issued Order 888, which had the effect of requiring Santee Cooper and other electric utilities to establish a wholesale-marketing organization separate and apart from its operating group that controlled operations of its transmission facilities.

"FERC didn't require that something like TEA be established," Carter said then. "But forming TEA was a logical way to respond to what they did require."

The planning behind TEA began about 15 months prior to opening for business. On April 28, 1996, the Santee Cooper board approved participating in TEA, which was formally organized on May 2 of that year. On June 9, TEA was officially announced.

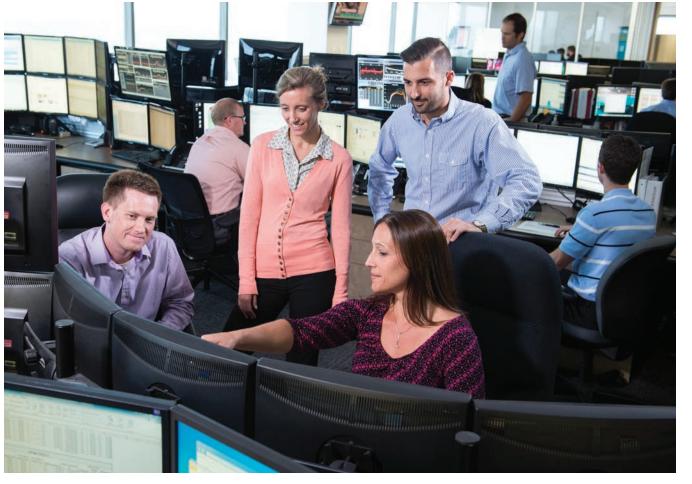
What happened next was the marshaling of talent from Santee Cooper and the other founding members. Carter was asked to be the acting president, but didn't seek the position. T. Graham Edwards, Santee Cooper's president and CEO at the time, assured Carter he would be able to return to Santee Cooper.

"I was able to pick the launch team," says Carter, who was vice president of corporate forecasting and marketing. "The CEOs (of the founding members) made the best people they had available. That was a tremendous advantage from the beginning." The assembled Santee Cooper team, along with those from the other founding utilities, were soon off to Jacksonville.

It was a venture into the unknown. But what they and the founding participants did was build, from the ground up, the nation's first public power marketing alliance. Jeff Armfield, today Santee Cooper's senior vice president and chief financial officer, was part of the launch team.

"I remember the excitement, the long days of creating something from scratch," says Armfield, who at the time was Santee Cooper's manager of business services. "The initial three partners wanted to maintain a low profile during the creation of TEA so we could only share what was absolutely necessary with vendors and bankers, which created numerous challenges."





Three other Santee Cooper employees who are still with TEA also headed to northeastern Florida for startup: Jim Richardson, TEA's director of business development; Compliance Director Bill Rust and Joanie Teofilo, who came from Santee Cooper as a principal engineer and is TEA's president and CEO.

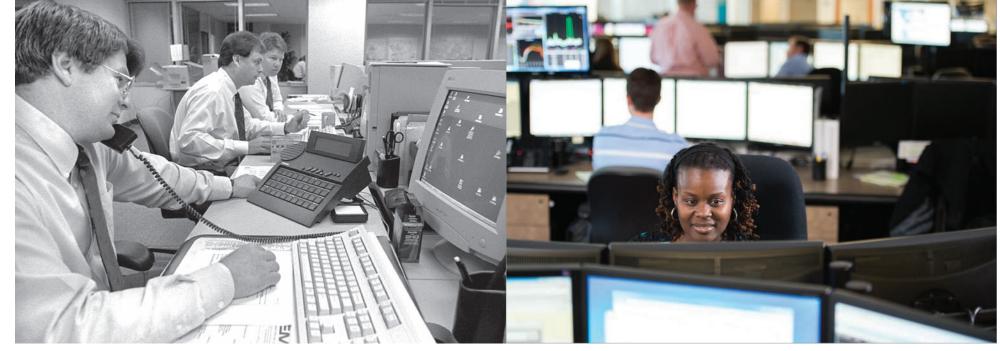
"Joanie is a very gifted individual," says Armfield. "She was a mid-level engineer on the launch team but it was obvious she was special. She worked her way from a staff position at TEA through many different parts of the company to earn the CEO position the old-fashioned way."

"It was exciting to be part of creating a new company," Teofilo recalls. "The days were intense, but we were thrilled to be a part of the team. We worked together and felt empowered to make things happen in order to get the company up and running. We were doing something that hadn't been done before. I was on the trading floor for the first day and there was this tremendous sense of excitement and achievement."

"I remember the first day," says Rust, "and at the time, the challenge of the unknown. When we started, we were simply a business that bought and sold energy. Power marketing was simpler then, next hour, next day. Electricity is still our bulk market and most of our business is RTO (interacting with Regional Transmission Organizations). I'm amazed at what TEA has accomplished."

Rust also remembers the early days of Excel spreadsheets and fax machines to conduct trading, ancient history now, made more modern today with computers and custom software.

night," Richardson remembers. "You



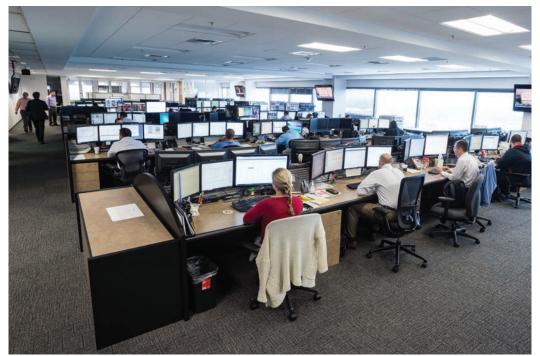
have to manage a portfolio of assets, not just short term. It's knowing who you need to call, who has the transmission capability."

"Our mission has stayed the same," says Susan Boggs, vice president of administration and "chief people officer." "It's looking for the lowest cost power."

Says Armfield, "TEA has always been open and willing to objectively assess what they do well and where they could improve. Our relationship has grown and matured over the years. TEA understands Santee Cooper much better today. As a result, they can provide more value which in turn gives us more 'bang for the buck' from our investment. Public power has a culture of sharing and cooperating with each other and the TEA business model makes sense, so it isn't surprising TEA has grown."

Carter also has high praise for Teofilo, calling her "a great strategic thinker and a person who knows know to bring people together in a collaborative process."

"Back then, there was just one man at What if Santee Cooper's management and board of directors had not pursued were so limited back then. Today, you the bold initiative of being part of





something that is so successful today? Carter doesn't hesitate to put that in the context of his unique perspective.

"Santee Cooper would be a third-rate utility if we did not have TEA," he says. "It has certainly saved us hundreds of millions of dollars in power costs since its inception. We have to have the skill set that TEA brings to the table."





"I'm honored to lead this organization today," says Teofilo. "We'll continue to grow and to stay competitive, increasing our market knowledge and adding value for Santee Cooper and all of our member utilities.

Top row:

At left, a day in the life of TEA, circa 1997, while at right Tesha Clayton continues TEA's mission in 2015.

Middle row, clockwise from left: TEA's use of technology 24 hours a day. seven days a week, is critical to the organization's success.

Matt Hazelwood maps out strategy details.

TEA employees constantly assess and monitor the latest data, both on and off the trading floor.

Bottom row:

Christie Smith and Kevin Galke collaborate during a busy day.

As its skilled workforce ages and approaches retirement, employers like Santee Cooper are evolving their approach to staffing and employee recruitment, especially for the more technical positions.

A few years ago, Santee Cooper assembled a team of employees from several different lines of business to review its staffing procedures. The team interviewed employees, spoke with neighboring utilities and industries, conferred with a human resource consultant, and conducted additional studies of best practices and methods.

Throughout their fact finding, the team discovered some common areas of concern.

"One of the major concerns we saw again and again was that our hiring process was taking too long, and that our approach to staffing was creating these other problems for us," says Wendy Cruce, administrator of talent planning.

WORKFORCE PLANNING Photography by Jim Huff



On average, it was taking Santee Cooper three to four months to post and fill a vacancy. Not only was this creating a staffing vacuum, but knowledge gaps also were emerging as older, more experienced employees retired before their replacements could be named.

"Our recruiting efforts were also constrained because we were going to the job market whenever we needed to fill a vacancy," Cruce says, "and that urgency to find a replacement didn't always coincide with the right candidate pool."

In short, many of Santee Cooper's staffing issues were the result of a reactive approach to hiring. The team's recommendation to management was to adopt a proactive method, otherwise known as workforce planning.

"Workforce planning is a forward-looking approach − and a big-picture approach − to our future hiring needs," Cruce says. "It allows us to prepare for those needs strategically."

One of the newer conventions to workforce planning

has been the use of personnel data to predict what Santee Cooper's hiring needs will look

like in the future. "We look at things like employee turnover, movement within the company, and retirement projections," Cruce says. "We can come up with a pretty good prediction

of what a specific area's staffing needs will

look like."

Not only do these projections provide managers with a potential hiring plan, they can also help those managers in the areas of talent management, training and development, succession planning, and knowledge transfer.

"It just creates a wealth of efficiencies," Cruce says.

Distribution operations was one of the first areas to adopt workforce planning, specifically in its hiring of line technicians.

> Neil Iames, manager of distribution operations, says his area used to be in a perpetual hiring loop filling vacancies as they happened.

"It could just start to feel like you're treading water," he says, "but workforce planning has helped us get

> ahead of the curve."

WENDY CRUCE administrator of talent planning

by Kevin F. Langston

Instead of hiring throughout the year, James now has one Santee Cooper has hired some of its line technicians from hiring cycle each year. He brought on 11 new employees in the first year and an additional eight in the second. Workforce planning has also given James a better appreciation for the myriad departments affected by new hires.

"These line technicians basically begin work as a class, so it streamlines the process for a number of other areas like IT, training and development, payroll, benefits, employee relations, and occupational health that are also involved in the onboarding process," James says.

Cruce says workforce planning has allowed Santee Cooper to overhaul the way it recruits and hires line technicians.

"The resources we used to spend on filling vacancies are now put into a strategic recruiting plan," she says. "On the front end, everything is being driven toward doing a better job of recruiting, screening, interviewing and selecting."

To that end, Santee Cooper has improved

some of its employee pipeline programs like summer internships and Power Associates, and James says Santee Cooper has also started taking advantage of Electrical Line Worker (ELW) certification programs at nearby technical colleges.

"Where employee retention used to be a concern, we know a candidate who has completed an ELW program sees line work as a career and not just a stepping stone," James says.

> **NEIL JAMES.** manager of distribution operations

the ELW program at Trident Technical College. It's worked with Horry Georgetown Technical College to develop an ELW program, which recently completed its first semester.

> The Power Associates scholarship program works with technical colleges statewide to offer high school students a twoyear associate degree and on-the-job training in areas where future hiring needs are critical. Upon completion of the program, students can then seek employment with Santee Cooper or other utilities.





Above: At left, Junior Chapman, a distribution line technician A works in a bucket truck on the Grand Strand with (from left) co-workers Christian Osha, also a distribution line technician A, and Sport Rabon, a distribution line technician C. At right, Engineer II Sarah Doughty and Senior Engineer Jake Biddix confer on a project.

while, but every year we're tweaking them and improving them," Cruce says. "Even with our summer intern program, if we see there's going to

be a need for electrical engineers, that's where we want to allocate our resources. If we have someone working for us during the summer, it should be someone we'd consider for a full-time position once they've graduated."

One of the earliest champions of workforce planning has been Kevin Bevins, superintendent of system protection and control within Santee Cooper's power delivery group, and with good reason: After crunching some numbers, Bevins learned it was taking an average of nine months to fill vacancies within power delivery.

"We have over 300 employees across 17 departments in power delivery," Bevins says. "Using the data provided from human

"We've had these pipeline programs in place for a resources, I learned we lose between one and two engineers each year to non-retirement attrition. That data also tells me power delivery can expect 17 engineer vacancies by 2018."

> Equipped with this information, Bevins has been hiring electrical engineers for what he calls "the bench." Rather than being immediately placed in a position, the electrical engineers spend two years rotating within four power delivery departments: substation maintenance, area engineering, system communications and relay. The electrical engineers spend between five and 10 months in each area, gaining what Bevins calls "foundational experience."

"This eliminates those knowledge gaps that occur when an experienced employee retires or moves to another area," Bevins says. "It also gives these electrical engineers some idea of where they might eventually like to work once a position Below: Distribution Line Technician A Christian Osha deploys safety cones.



And positions do open up because as the data suggests, power delivery loses one to two of its Bevins now has a pool of employees ready to plug the better career for them and a better employee for us." holes thanks to workforce planning.

"You have to trust the data," he says. "I don't know

why we weren't doing it this way sooner. It's a much

Beyond enabling areas like power delivery and

distribution operations to have the workers in

place before expected vacancies occur, Cruce

says workforce planning has given managers

like James and Bevins more flexibility in

"These departments are hiring strategically,

better way to do it."

terms of recruitment.

which means they don't

have to settle for what

the job market offers

when they have a

position that needs

filling," Cruce says.

"Now they can seek out these entry-level employees when talent pools are flush with students who are graduating soon and are looking for good careers."

I'm looking beyond technical competency. I'm looking for character and chemistry. I want these new hires to fit in with engineers to non-retirement attrition each year. But the culture at Santee Cooper, because that only makes for a

> For now, only a few Santee Cooper departments are using workforce planning, but Cruce is optimistic it will grow as more success stories emerge.

> > "It's our job to let managers know this information is there for them if they want it. It makes more sense for some areas than others, but it's a tool that any of them can use," she says.

"Santee Cooper has never been afraid to

change for the right reasons," James says, "and I give our human resources team a lot of credit for bringing these advancements to our hiring process. They've worked hard to make it work."

"It makes us much more competitive," Bevins says.

"When I'm hiring for the bench,

KEVIN BEVINS, superintendent of system protection and control



SANTEE COOPER'S COMMERCIAL

REDUSE THUSE PROGRAM

ENERGY SAVINGS = \$\$ SAVINGS

BY SUSAN MUNGO

PHOTOGRAPHY BY JIM HUFF



DAVE SCHUK OWNS THE ABOVE AND BEYOND SUPERSTORE, A HOMETOWN FURNITURE STORE

in Loris, S.C., where he took advantage of the Prescriptive Lighting Program. He had previously renovated another location, so he knew an upgrade to more energy-efficient lighting would not only brighten the look of his showroom, it could also show a major reduction in his monthly energy bill. To get started, he called on Jack Huggins, a senior engineer in the commercial services department.

Huggins helped him determine the best lighting choice and also helped him with the rebate process. The results gave Schuk a brighter, more energy-efficient showroom that saves money each month. The rebate with the Prescriptive Lighting program helped offset the cost of upgrades.

"With the money you save every month," says Schuk, "it just makes good business sense to make the change." He says he immediately saw a reduction in his electric bill and with those monthly savings and the rebate money, the upgrades will be paid for in about two years.

Owning or running a business usually means you are looking for every way possible to save money just to make ends meet. A monthly operational cost, such as an energy bill, is often where you, the savvy business owner, will try to cut to help turn a profit.

Santee Cooper may have just what you and your business need to put you in the black. The Reduce The Use (RTU) program offers prescriptive and custom rebate programs. It assists commercial customers in covering some of the costs of recommended energy efficiency improvements.

Through the assistance of Santee Cooper's Trade Allies, you can make upgrades that will reduce your monthly energy bill, no matter how big or small the operation. That's not all.

This page, clockwise from top left:

Dave Schuk holds one of the bulbs he changed at his furniture store that resulted in a monthly energy usage reduction.

A newly installed LED light at Captains Quarters Resort in Myrtle Beach.

A water pump at Captains Quarters has a Variable-Frequency Drive (VFD) that helps reduce usage by allowing the pump to run only when needed.

Opposite page:

Lighting in the Vista Nine, a restaurant located on the ninth floor of the Captains Quarters Resort, has been upgraded to more energy-efficient bulbs and results in reduced electricity and maintenance costs.





Santee Cooper Commercial Services advisors and engineers are trained to help you determine which program will work best for you and what will give you the biggest payback or "bang for your buck."

PRESCRIPTIVE REBATES

The prescriptive rebate portion of the Santee Cooper RTU program offers commercial customers rebates for approved upgrades to HVAC, refrigeration and lighting, as well as pumps and motors. With a good history of savings information, they can calculate specific rebate amounts for each upgrade in the prescriptive category. With these rebates you know just how much to expect for each upgrade. The Santee Cooper representative can give you a good idea of how much energy reduction you will see each month.

CUSTOM REBATES

Knowing that one size does not fit all, Santee Cooper created the Custom Rebate program to open the door to customers who may have other needs or new and innovative ideas for reducing their energy consumption.

This program provides a comprehensive platform for costeffective energy efficiency measures in commercial facilities not addressed by the Santee Cooper Commercial Prescriptive program. Energy reductions must be obtained through an improvement in efficiency. The Commercial Custom program requires customers to submit specific information for each measure, and to conduct energy engineering and commissioning activities at their own cost. The amount of rebate is based on verified energy savings.

A LARGER BUSINESS OFFERS MANY ENERGY SAVING OPTIONS

Matt Duke owns three Mellow Mushroom restaurants, and over the last several years has been expanding.

When Duke was remodeling an existing building in North Myrtle Beach to create his third location, he had an energy-saving mindset. He had previously worked with Santee Cooper on changing out lighting at his Myrtle Beach location and knew the difference it could make to his monthly energy bill.

Duke used both the Prescriptive and Custom Rebate programs to help make this restaurant as energy efficient as possible. LED lighting can be seen throughout this new ocean-themed location. He worked with a Santee Cooper Trade Ally to install an efficient HVAC system sized specifically for the building.



just what you and your business need to save energy and money. The Reduce The Use (RTU) program offers Prescriptive and Custom Rebate programs. It assists commercial customers in covering some of the costs of recommended energy efficiency improvements.



"Since the lighting has been upgraded, we have only changed one bulb in four months," Rittenberry says. "Prior to that we were changing at least one bulb every day."

He wanted to save money in the kitchen so he chose a Variable-Frequency Drive (VFD) for his captive air-hood system. The system may generate a custom rebate as well as help the kitchen operate more efficiently on a daily basis by keeping conditioned air from being drawn out of the building, while providing exhaust for the kitchen equipment.

Duke also installed an energy efficient air curtain in the bar area, which is open to an outdoor porch. Not only does this device help shoo away pesky flies, it also helps keep the cool air inside the bar, not out on the porch.

He went even further and installed energyefficient lighting in his large coolers and occupancy sensors on restroom lights. Duke says the whole process was very easy. When asked why he decided to make the upgrades Duke says, "It is good for the environment, makes my building more energy efficient and that means more money in my cash register."

BIG BUSINESS CAN MEAN BIG SAVINGS

Jan Rittenberry is chief engineer at the Captains Quarters, an oceanfront condo resort in Myrtle Beach. Rittenberry decided he was going to make energy-efficient upgrades to one of the 14 properties he helps maintain.

He knew it was a long-term project that would not show return on the investment overnight, but he also knew it would be economically beneficial for Captains Quarters' bottom line.

Rittenberry also took advantage of both the Prescriptive and Custom Rebate programs at Santee Cooper. He is currently overseeing an ongoing project that will include changing every light in the hotel to an LED. In addition, he has installed VFD drives on the pool pumps in the "lazy river" amenity, as well as all of the properties' domestic water pumps.

According to Rittenberry, the company is happy with the energy savings from the upgrades. For him, the reduction in maintenance cost was the biggest plus. With a hotel that boasts 15 floors and has more than 200,000 guests annually, it is easy to see why that matters.

"Since the lighting has been upgraded, we have only changed one bulb in four months," Rittenberry says. "Prior to that we were changing at least one bulb every day."

"IT'S ALL ABOUT THE SAVING"

When Tom Dendy called Huggins to help him reduce the demand for energy at his business, Huggins knew he could be facing a challenge.

Although he is a commercial customer, Dendy is probably more comfortable with the title of pastor at Myrtle Beach's Celebration Presbyterian Church in Carolina Forest. He was looking for ways to offset the huge demand for energy being created by the up and down use at the church.

Huggins made lighting changes but knew the real key was the demand swing. He was able to get the church entered into a Demonstration of Energy & Efficiency Developments (DEED) project that is a pilot program for an energymanagement system. This helps control the demand the HVAC system requires by automatically shutting it on and off.

According to the American Public Power Association, DEED is the only research and demonstration program funded by and for public power utilities, such as Santee Cooper. Established in 1980, DEED is dedicated to improving the operations and services of public power utilities by supporting and demonstrating innovative activities.

Matt Duke, owner of three Mellow Mushroom restaurants, knows the importance of taking advantage of Santee Cooper's Reduce The Use programs. He has saved money with upgrades at his Myrtle Beach and North Myrtle Beach locations.

Below:

The chart shows how changes in lighting can result in big energy savings which equates to more dollars added to the bottom line.

Standard Measures and Corresponding Rebates: Lighting

Screw-In CFLs	\$0.15 / reduced watt	Note: All retrofit sensors must be pre- approved.
General Luminance	\$0.30 / reduced watt	
LED Pool Lighting	\$0.40 / reduced watt	
Lighting Controls	\$45 / sensor - daylighting controls \$30 / sensor - wall occupancy sensor \$50 / sensor - ceiling occupancy sensor	
LED Channel Letter Signage	\$2.50 / linear ft < 2' high \$5 / linear ft > 2' high	

Making changes in your lighting can create big energy savings. For example, when you change out two Tl2 bulbs for two T8s, you save almost 100 watts of electricity. Making the change to LED bulbs would create even larger savings. With the energy savings and the rebates on lighting, a customer sees a relatively short payback period on this upgrade.

The system, in conjunction with two new HVAC units and changes in duct work, has worked to reduce the church's monthly power bill.

As Dendy put it, "Santee Cooper and the church have the same business goals: It's all about the saving."

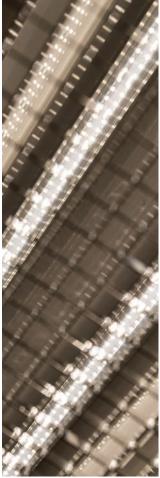
ALL BUSINESS SIZES WELCOMED

Whether your business is big, small, somewhere in between or not a typical business, Santee Cooper's Commercial RTU programs can help you save on your electric costs. Huggins and the other trained Commercial Services employees work to find solutions that fit the needs of each customer they work with.

"If a customer can show that their upgrade saves energy," says Huggins, "we can find a way to rebate it through one of our programs."

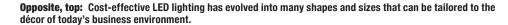
Saving energy, saving money on upgrades, reducing maintenance costs along with helping your business use energy more efficiently – all these add up to savings for you.











Opposite, bottom: The conventional fluorescent tube is now being displaced by LED fixtures that draw less energy, run cooler and last longer.

This page, clockwise from top right: Pastor Tom Dendy at Celebration Presbyterian Church in Myrtle Beach can testify to the effectiveness of the commercial Reduce The Use program.

A VFD controls the attached water pump, running only when needed, thereby reducing energy costs.

LED lighting options, as shown in these fixtures in the Captains Quarters Inn, have increased dramatically over the last several years as their cost has decreased.





Whether your business is big, small, somewhere in between or not a typical business, Santee Cooper's Commercial RTU programs can help you save on your electric costs.

Electric Cooperatives in South Carolina:

SEVENTY-FIVE YEARS AND COUNTING

by Benjamin Ollic

All electric cooperatives in South Carolina have already or will approach the 75th anniversaries of their date of incorporation or charter in 2015 and 2016.

Santee Cooper celebrates our cooperative partners in observing their milestones. One of the reasons Santee Cooper and the electric cooperatives were created was to electrify rural South Carolina, including places other utilities had little interest in serving. It has been a powerful partnership.

Aiken Electric Cooperative turned 75 in November 2013 and seven electric cooperatives observed their 75th anniversaries last year: Edisto Electric Cooperative, Fairfield Electric Cooperative, Laurens Electric Cooperative, Lynches River Electric Cooperative, Marlboro Electric Cooperative, Pee Dee Electric Cooperative and Santee Electric Cooperative.

Eleven cooperatives are 75 years old this year and that list includes Berkeley Electric Cooperative, Black River Electric Cooperative, Blue Ridge Electric Cooperative, Broad River Electric Cooperative, Coastal Electric Cooperative, Horry Electric Cooperative, Little River Electric Cooperative, Mid-Carolina Electric Cooperative, Newberry Electric Cooperative, Palmetto Electric Cooperative, and Tri-County Electric Cooperative.

In 2016, the 75th anniversary observance continues with York Electric Cooperative.



2013

Aiken Electric Cooperative

2014

Edisto Electric Cooperative Fairfield Electric Cooperative Laurens Electric Cooperative Lynches River Electric Cooperative **Marlboro Electric Cooperative** Pee Dee Electric Cooperative **Santee Electric Cooperative**

2015

Berkeley Electric Cooperative Black River Electric Cooperative

Blue Ridge Electric Cooperative

Broad River Electric Cooperative

Coastal Electric Cooperative Horry Electric Cooperative

Little River Electric Cooperative

Mid-Carolina Electric Cooperative

Newberry Electric Cooperative Palmetto Electric Cooperative Tri-County Electric Cooperative

2016

York Electric Cooperative

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Demolition is Underway at **Grainger Generating Station**

Santee Cooper awarded the contract for the demolition of Grainger Generating Station near Conway to National Salvage and Service Corp.

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The firm began work in May and in June crews began working to dismantle the plant's coal conveying equipment. Once that work is completed, the building structures will be removed. The most visible portions of Grainger Station, the stacks, are projected to be dismantled in early 2016. After demolition, the site will be layered with soil, graded and covered with grass. The process is expected to be complete by next summer.



Santee Cooper's Spring Mini-Bond Sale a Success

Santee Cooper issued a Mini-Bond sale that ran from April 1 through April 30. Approximately \$36.18 million of current interest bearing and capital appreciation bonds were sold, representing nearly 2,000 bonds.

Santee Cooper Approves \$4 Million Economic Development Loan

Santee Cooper has approved a \$4 million loan to Cherokee County for a 50,000-square foot industrial speculative building to help the county attract new industry and jobs.

The loan was approved through the Santee Cooper Economic Development Loan Program. The spec building will be located in Cherokee County's Upstate Corporate Park near Interstate 85. Broad River Electric Cooperative will distribute electricity to the site.

Santee Cooper Announces Operating Hours for Pinopolis Lock

Santee Cooper has announced new 2015 operating hours for the Pinopolis Lock at the Jefferies Hydroelectric Station on Lake Moultrie. The lock will be operated from 9 a.m. until 7:30 p.m. (or 30 minutes before dusk, whichever is earlier) for the summer boating season. New digital signage at the lock will display the current operating status.

In addition the lock does not operate during thunderstorms or rough-water conditions. Occasionally, it is necessary to take the lock out of service for periodic maintenance or repair. If you have a large party of boats, you are encouraged to call in advance. The telephone number is 843-899-LOCK (5625).

Volvo to bring first U.S. plant to Berkeley County

In announcing Volvo Cars of North America's decision to place its first manufacturing facility in the Western Hemisphere in Berkeley County, president and CEO Lex Kerssemakers outlined an aggressive schedule dependent on logistical advantages and automobile manufacturing experience South Carolina offered.

For her part, South Carolina Gov. Nikki Haley pointed to a legacy in the making. "This is a landmark moment and truly a great day in South Carolina as we welcome Volvo Cars' first American manufacturing plant to our state," Haley said. "By bringing \$500 million in new investment and 4,000 jobs to this community, Volvo's presence and commitment to Berkeley County and the state will be felt for decades to come. We are proud to have this global leader in car manufacturing join and strengthen South Carolina's automotive industry."

The new facility will have an initial estimated annual production capacity of around 100,000 cars. Located in northwestern Berkeley County on a portion of the Camp Hall site, the plant will manufacture latest-generation Volvo models for sale in the U.S. and for export. Construction will begin in fall 2015, with the first vehicles expected to roll off the assembly line in 2018.

Santee Cooper and Berkeley County have agreed to jointly purchase the 6,800-acre Camp Hall site. Santee Cooper will retain ownership of about two-thirds of the parcel and will look to develop additional industrial sites there. Santee Cooper also extended loans and grants for the project in accordance with economic development programs established by the board of directors several years ago.

Edisto Electric Cooperative will be the primary source of electricity for the plant with Santee Cooper and Berkeley Electric Cooperative serving additional portions of the Camp Hall site. Water to the project will be supplied by the Lake Marion Regional Water Agency, which purchases water wholesale from Santee Cooper's Lake Marion Regional Water System, located in Santee, S.C.

"Volvo Cars is a world-class manufacturer whose choice of Berkeley County signals a sea change for this community," said President and CEO Lonnie Carter. "This decision reflects well on an unprecedented partnership of local and state officials, the South Carolina Power Team, and Edisto and Berkeley electric cooperatives, which pulled together for the greater benefit of all. For our part, Santee Cooper is committed to building on this investment for decades to come, to maximize opportunities for Volvo, the people who will work there and the additional development that will follow and transform this corner of South Carolina."

In the broader scope, Volvo Cars' selection of the Palmetto State underlines the success of South Carolina's robust automobile industry. The state is home to more than 250 automotive-related companies and suppliers and, as a result, leads the nation in the export of both tires and automobiles.



Above: Lex Kerssemakers (left), president and CEO of Volvo Cars North America, was on hand when Lonnie Carter (center), Gov. Nikki Haley and other principals signed the Volvo agreement during ceremonies at Charles Towne Landing.

Photography by Jim Huff

With the announcement, South Carolina's strong auto industry looks to get even stronger. An economic impact analysis compiled by Dr. Frank Hefner at the College of Charleston estimates that, for an initial 2,000 direct jobs, more than 8,000 total jobs would be created as a result. Operating with 2,000 employees, the plant would contribute approximately \$4.8 billion in total annual economic output.

Additionally, the development of the Camp Hall site will lead to the preservation, restoration and enhancement of more than 1,500 acres of wetlands in a critical, neighboring watershed that is a priority of Audubon South Carolina.



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